

As the August 2nd deadline for raising the debt ceiling rapidly approaches, Chief Deputy Whip Peter Welch (D-Vt.) issued the following statement Monday calling on Republican and Democratic leaders to affirm that America will pay its bills should ongoing negotiations fail.

“As negotiations falter and the calendar closes in on August 2nd, congressional leaders must send a clear and unequivocal message to the American people that their failure to reach an agreement will not result in the failure of America to pay its bills.

“America has always paid its bills. A default will punish Americans and the American economy. It will threaten pensions, IRAs, 401Ks and college accounts, and increase borrowing costs for homeowners and credit card users. A one percent increase in interest rates will cost taxpayers \$160 billion.

“Default is wrong, unnecessary and completely avoidable. If it takes voting on increasing the debt ceiling to avoid default, than that is what Congress must do.”

Welch calls on leaders to raise debt ceiling if negotiations fail

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Welch is the leader of group of [114 Democrats](#) who have supported a debt ceiling extension.